

STATE OF RHODE ISLAND - DIVISION OF TAXATION

COMPUTATION OF EDUCATIONAL ASSISTANCE AND DEVELOPMENT TAX CREDIT

Year Ended _____ 20 _____

F.E.I.	No.	Name		
Address		City/town	State	Zip

PART 1 - CONTRIBUTION TO AN INSTITUTION OF HIGHER EDUCATION:

1. For the establishment or maintenance of a faculty chair,
department or program for scientific research or education _____
2. Amount not eligible for credit 10,000.00
3. Amount eligible for credit 3. _____

PART 2 - CONTRIBUTION TO AN INSTITUTION OF HIGHER EDUCATION:

4. For a work fellowship program providing training connected with
scientific research or education established by an institution of
higher education for the students of such institution _____
5. Amount not eligible for credit 10,000.00
6. Amount eligible for credit 6. _____

PART 3 - CONTRIBUTION TO AN INSTITUTION OF HIGHER EDUCATION:

7. Cost or other basis of tangible personal property contributed
for use in an educational, training, or research program for
scientific research or education in this State (see instructions) _____
8. Amount not eligible for credit 10,000.00
9. Amount eligible for credit 9. _____
10. Total eligible for credit (Sum of Lines 3, 6, and 9) 10. _____
11. Educational assistance and development tax credit (8% of line 10) 11. _____
12. Unused educational assistance and development tax credit from
preceding year (attach schedule) 12. _____
13. Total educational assistance and development tax credit (Line 11 plus Line 12) 13. _____
14. Tax (from appropriate line of Form RI-1120, T-71, T-72 or T-74) 14. _____
15. Minimum Tax 100.00 15. _____
16. Maximum educational assistance and development credit
(Line 14 less line 15 but not less than zero) 16. _____
17. Educational assistance and development credit allowable (Lesser of Line 13 or Line 16)

RI 5009

2002

EDUCATIONAL ASSISTANCE AND DEVELOPMENT TAX CREDIT**INSTRUCTIONS**

(Chapter 44-42)

LIMITATIONS OF THE CREDIT:

The credit is allowed against the business corporation tax (44-11), public service tax (44-13) except the tax in 44-13-13, bank tax (44-14) and insurance tax (44-17). The credit may not reduce the tax to less than \$100.00.

COMPUTATION OF THE CREDIT:

The credit is computed at 8% of the amount in excess of \$10,000 in each category contributed in any taxable year to an institution of higher education in Rhode Island for:

1. The establishment or maintenance of a faculty chair, department or program for scientific research or education.
2. A work fellowship program providing training connected with scientific research or education and is established by an institution of higher education for the students of the institution.
3. A contribution of tangible personal property for use in an educational, training, or research program for scientific research or education. The credit is based on the cost or other basis for federal income tax purposes (determined immediately prior to such contributions). Excluded are sale discounts and sale/gift or similar arrangements pertaining to the purchase of equipment.

DEFINITIONS:

1. "Institution of higher education: shall mean an educational organization which is described in subsection (b) (1) (A) (iii) of section 170 of the Internal Revenue Code of 1954 and is an institution of higher education (as defined in section 3304 (f) of the Internal Revenue Code of 1954) in Rhode Island and any organization described in section 501 (c)(3) of the Internal Revenue Code of 1954 which is organized and operated for the exclusive benefit of any such institution.

2. "Scientific research or education" shall mean research or education in engineering or engineering technologies, the physical and biological sciences, computer science and technologies, mathematics, and electronic and automated medical and industrial equipment and instrument operations.

CREDITS CARRIED FORWARD

Any unused credit may be carried forward for five years. No carryback is permitted.

CERTIFICATION:

A taxpayer shall not be allowed a credit with respect to the contribution of tangible property to an institution of higher education unless the taxpayer received from the institution a written statement representing that the property will be used by the institution in Rhode Island in a manner that will satisfy the requirements set forth in Chapter 44-42. Copy of certification to be attached.

CONSOLIDATED RETURNS

In the case of a business corporation filing a consolidated return (44-11), a credit will be allowed against the tax of only that corporation that qualifies for the credit and will not be allowed against the tax of other corporations that may join in the filing of a consolidated state tax return.